

SENATE BILL No. 171

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-11-10-1; IC 5-11-10-2; IC 36-2-6.

Synopsis: Payment of county expenses. Allows a county executive to adopt an ordinance allowing the county auditor to pay certain expenses before the claim is reviewed by the county executive. Requires that every payment made in advance must have an itemized bill or invoice and a certification by the county auditor. Requires that each expense paid must be approved by the county executive at the next meeting of the county executive. Makes conforming amendments.

Effective: July 1, 1999.

Paul

January 6, 1999, read first time and referred to Committee on Governmental and Regulatory Affairs.



C
o
p
y

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

SENATE BILL No. 171

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-11-10-1 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) This section
- 3 applies to the state and its political subdivisions. However, this section
- 4 does not apply to the following:
- 5 (1) The state universities.
- 6 (2) Ivy Tech State College.
- 7 (3) A municipality (as defined in IC 36-1-2-11).
- 8 (4) A county.
- 9 (5) An airport authority operating in a consolidated city.
- 10 (6) A capital improvements board of managers operating in a
- 11 consolidated city.
- 12 (7) A board of directors of a public transportation corporation
- 13 operating in a consolidated city.
- 14 (8) A municipal corporation organized under IC 16-22-8-6.
- 15 (9) A public library.
- 16 (10) A library services authority.
- 17 (11) A hospital organized under IC 16-22 or a hospital organized



under IC 16-23.

(12) A school corporation (as defined in IC 36-1-2-17).

(13) A regional water or sewer district organized under IC 13-26 or under IC 13-3-2 (before its repeal).

(14) A municipally owned utility (as defined in IC 8-1-2-1).

(15) A board of an airport authority under IC 8-22-3.

(16) A conservancy district.

(17) A board of aviation commissioners under IC 8-22-2.

(18) A public transportation corporation under IC 36-9-4.

(19) A commuter transportation district under IC 8-5-15.

(20) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).

(21) Payments by a county under IC 36-2-6-22 or by a town under IC 36-5-4-12.

(b) No warrant or check shall be drawn by a disbursing officer in payment of any claim unless the same has been fully itemized and its correctness properly certified to by the claimant or some authorized person in the claimant's behalf, and filed and allowed as provided by law.

(c) The certificate provided for in subsection (b) is not required for:

(1) claims rendered by a public utility for electric, gas, steam, water, or telephone services, the charges for which are regulated by a governmental body;

(2) a warrant issued by the auditor of state under IC 4-13-2-7(b);

(3) a check issued by a special disbursing officer under IC 4-13-2-20(g); or

(4) a payment of fees under IC 36-7-11.2-49(b) or IC 36-7-11.3-43(b).

(d) The disbursing officer shall issue checks or warrants for all claims which meet all of the requirements of this section. The disbursing officer does not incur personal liability for disbursements:

(1) processed in accordance with this section; and

(2) for which funds are appropriated and available.

(e) The certificate provided for in subsection (b) must be in the following form:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

SECTION 2. IC 5-11-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) **Except for claims paid by a county under IC 36-2-6-22 or by a town under IC 36-5-4-12**, claims against a political subdivision of the state must



be approved by the officer or person receiving the goods or services, be audited for correctness and approved by the disbursing officer of the political subdivision, and, where applicable, be allowed by the governing body having jurisdiction over allowance of such claims before they are paid. If the claim is against a governmental entity (as defined in section 1.6 of this chapter), the claim must be certified by the fiscal officer.

(b) The state board of accounts shall prescribe a form which will permit claims from two (2) or more claimants to be listed on a single document and, when such list is signed by members of the governing body showing the claims and amounts allowed each claimant and the total claimed and allowed as listed on such document, it shall not be necessary for the members to sign each claim.

(c) Notwithstanding subsection (b), only:

- (1) the chairperson of the board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal); or
- (2) the chairperson's designee;

is required to sign the claim form described under this section.

(d) The form prescribed under this section shall be prepared by or filed with the disbursing officer of the political subdivision, together with:

- (1) the supporting claims if payment is made under section 1 of this chapter; or
- (2) the supporting invoices or bills if payment is made under section 1.6 of this chapter.

All such documents shall be carefully preserved by the disbursing officer as a part of the official records of the office.

(e) Where under any law it is provided that each claim be allowed over the signatures of members of a governing body, or a claim docket or accounts payable voucher register be prepared listing claims to be considered for allowance, the form and procedure prescribed in this section shall be in lieu of the provisions of the other law.

(f) Notwithstanding this section, the publication required by IC 36-2-6-3(b) must state each claim for which a separate warrant or check is to be issued by the disbursing officer except for claims for the following:

- (1) Salaries fixed in a definite amount by ordinance or statute.
- (2) Per diem of jurors.
- (3) Salaries of officers of a court.

SECTION 3. IC 36-2-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) This section does not apply



to a county having a consolidated city.

(b) **Except as provided in section 22 of this chapter**, the county executive may allow a claim or order the issuance of a county warrant for payment of a claim only at a regular or special meeting of the executive. The county auditor may issue a county warrant for payment of a claim against the county only if the executive or a court orders him to do so. However, this subsection does not apply to the issuance of warrants related to management of the common or congressional school fund.

(c) The county executive may allow a claim if the claim:

(1) complies with IC 5-11-10-1.6; and

(2) is placed on the claim docket by the auditor at least five (5) days before the meeting at which the executive is to consider the claim.

(d) A county auditor or member of a county executive who violates this section commits a Class C infraction.

(e) A county auditor who violates this section is liable on his official bond for twice the amount of the illegally drawn warrant, which may be recovered for the benefit of the county by a taxpayer of the county. A person who brings an action under this subsection shall give security for costs, and the court shall allow him a reasonable sum, including attorney's fees, out of the money recovered as compensation for his trouble and expense in bringing the action. This compensation shall be specified in the court's order.

(f) If, within sixty (60) days after the county executive allows a claim, a taxpayer of the county demands that the executive refund that allowance to the county, and the executive refuses to do so, the taxpayer may bring an action to recover an illegal, unwarranted, or unauthorized allowance for the benefit of the county. A person who brings an action under this subsection shall give security for costs, and the court shall allow him a reasonable sum, including attorney's fees, out of the money recovered as compensation for his trouble and expense in bringing the action. This compensation shall be specified in the court's order.

SECTION 4. IC 36-2-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) **Except as provided in section 22 of this chapter**, the county auditor may issue a warrant for money to be paid out of the county treasury in payment of a claim only if the claim:

(1) complies with IC 5-11-10-1.6; and

(2) is filed with the auditor more than five (5) days before the first day of the meeting of the county executive at which it is allowed.

C
O
P
Y



(b) The county auditor may issue a warrant for money to be paid out of the county treasury in payment of a claim:

(1) for supplies; or

(2) on a contract with the county executive for the execution of a public work;

only if the supplies were purchased or the contract was made in compliance with this article.

SECTION 5. IC 36-2-6-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 22. (a) A county executive may adopt an ordinance allowing money to be disbursed under this section for the payment of claims for the expenses listed in subsection (b).**

(b) Notwithstanding IC 5-11-10, if a county executive adopts an ordinance under subsection (a) authorizing the payment of expenses under this subsection, a county auditor may pay a claim, in advance of an allowance of the claim by the county executive, for the following types of expenses:

(1) Property or services purchased or leased from:

(A) the United States government; or

(B) an agency or a political subdivision of the United States government.

(2) License fees or permit fees.

(3) Insurance premiums.

(4) Utility payments or utility connection charges.

(5) Federal grant programs if:

(A) advance funding is not prohibited; and

(B) the contracting party provides sufficient security for the amount advanced.

(6) Grants of state funds authorized by statute.

(7) Maintenance agreements or service agreements.

(8) Lease agreements or rental agreements.

(9) Principal and interest payments on bonds.

(10) Payroll.

(11) State, federal, or county taxes.

(12) Expenses that must be paid because of emergency circumstances.

(13) Expenses described in an ordinance.

(c) Each payment of expenses under this section must be supported by a fully itemized invoice or bill and a certification by the county auditor.

(d) The county executive shall review and allow the claim for expenses described in subsection (b) at the county executive's next



C
O
P
Y

- 1 **regular or special meeting following the payment of the expense**
2 **under this section.**

C
o
p
y

